

21st December, 1943.

B.S. 1943 12A.



NEW SOUTH WALES.

BUSINESS STATISTICS DECEMBER, 1943.

C O N T E N T S.

PART I PRIMARY & EXPORT INDUSTRIES.

RURAL INDUSTRIES - GENERAL. Seasonal conditions. Potatoes - crops affected by blight. Maize. Millet. Fruit - excellent forecasts. Sugar cane - smaller crop from Tweed area.

EGGS & POULTRY: Prices of eggs and hens increased. Poultry marketings small.

MEAT: Supplies increased for Christmas.

WOOL: Arrivals and appraisements in Sydney. U.S.A. considering sale of emergency wool stocks.

WHEAT: Distillery for extraction of alcohol from wheat. U.S.A. - production and stocks lower. Argentina good crop forecast.

PART II FINANCE & TRADE. - GENERAL. War Damage Insurance - cover extended into 1944 and rates reduced. Taxation - collections by States and Commonwealth.

COMMONWEALTH ACCOUNTS: November, 1943.

STATE ACCOUNTS: November, 1943.

TRADING BANKS: Deposits, Advances, etc. in Australia, October, 1943.

NOTE ISSUE: November, 1943.

REAL ESTATE: Sales and Mortgages, October, 1943.

PART I - PRIMARY & EXPORT INDUSTRIES.RURAL GENERAL.

Seasonal Conditions are very favourable except in the South West and parts of the far West. Stock generally are in good to very good condition and feed is plentiful in most areas.

RAINFALL INDEX - N.S.W.

Weighted average ratio of actual to normal rainfall.
Normal rainfall each month = 100.

Period	Sheep	Wheat Districts	Dairying (Coastal) Districts
Year 1942	111	110	97
1943-Jan.	141	138	75
Mar.	15	17	44
May	124	118	216
June	51	53	25
July	67	83	6
Aug.	105	103	156
Sept.	116	122	128
Oct.	90	83	147
Nov.	170	171	209

Potatoes. There have been heavy losses of Coastal crops from blight and wet rot, due to excessive rainfall. The loss is reported to be heaviest (at least 50%) in the Bellingen and Clarence River Districts.

The latest estimate is for a yield of about 28,000 tons. Under favourable conditions experienced earlier it was hoped that the yield would reach 40,000 tons.

Maize. Prospects are encouraging and sowings, though still proceeding, are expected to be a little in excess of last year. In the Northern Tablelands growth of early sown crops has been retarded by unseasonably cold weather. A fine spell is needed for completion of sowings and cultivation to check weed growth.

Broom Millet. Crops are considerably less than anticipated in the Lower Hunter where, because of cold and wet weather, many of the later sown areas have been ploughed out. There are substantially increased areas in the Tamworth and Tumut districts, but excellent seasonal conditions are required if the area sown is to yield sufficient fibre to meet requirements.

Fruit. Prospects for fruit crops in N.S.W. are described as the best since the outbreak of war. Apple prospects were never better and last season's crop of 600,000 cases might be doubled. Yields of stone fruit promise to equal last year's, at least. The Minister for Commerce announced that there would be more canned fruit for civilians in 1944. The Australian Apple and Pear Board proposes to process 2,750,000 bushels of fresh apples in 1944, and to increase the output of dried apples from 2000 to 4000 tons, and of canned apple pulp from 4000 to 9000 tons.

Sugar. In the Tweed area, production of sugar cane is expected to be about 75,000 tons as compared with 100,000 tons normally. Last year slightly less than one-third of the total State production came from the Tweed.

An additional £25,000 is to be made available by the State Government for the purchase of farm machinery through co-operative societies. A sum of £100,000 was provided earlier. To November, 30th approvals for advances to 34 societies aggregated £82,450. Applications involving a further £8,500 are being considered.

Back yard producers are to be assisted by the release of a limited quantity of garden hose and 760,000 yds. of ungalvanised wire netting. The wire netting is part of 12,000 tons (7,500 miles) released for rural production generally.

Eggs and Poultry. The wholesale price of 1st quality hen eggs was increased 3d. to 1s. 10d. per doz. on December 20th. The Prices Commissioner stated that this increase is earlier than usual to enable producers to meet the higher costs and that it is desirable to give producers the ceiling price (2s.) at an earlier date to encourage production. The wholesale price of 1st quality hen eggs was 1s. 2d. per doz. on 15th December, 1941; subsequent variations have been -

1942	S.	D.	1942	S.	D.	1943	S.	D.
Feb. 1.	1	3	Apr. 1	2	0	Jan. 18	2	0
" 13	1	5	Aug. 1	1	9	Aug. 23	1	9
" 27	1	6	" 10	1	6	" 30	1	7
Mar. 24	1	8	Dec. 7	1	8	Dec. 20	1	10
" 26	1	10	" 21	1	9			

The prices of hens were also increased, the increases per lb. dressed weight, at wholesale, being: Small from 2s. 2d. to 2s. 6d., Medium 1s. 11d. to 2s. 4d. and Large 1s. 9d. to 2s. 2d. Since the declaration of maximum prices for poultry on December 6th, poultry farmers have withheld supplies from the Municipal Markets. Consignments are reported to represent only 10% of normal Christmas offerings and these are being distributed amongst regular buyers. The auction system has been discontinued for the time being. The Prices Commissioner has announced that the "Poultry order" will be reviewed early in the New Year.

Meat. Supplies of meat were increased in the week commencing December 20th, retailers' quotas being raised from 75% to 100% of quantities in the base period - April, 1943.

Wool. Arrivals of wool in Sydney to mid-December were nearly 102,000 bales less than last year.

No. of Bales

	1942-43	1943-44	Decrease
Arrivals	784,399	682,575	101,824
Appraisements	653,058	578,181	74,877

The U.S.A. War Production Board is reported to be considering the disposal of 330 m. lbs. of emergency wool stocks. This would curtail imports from Australia but, it was stated, the disposal would be handled in a way which would "least discourage continued private importation".

Wheat. A distillery for the production of power alcohol from wheat has been opened at Cowra. Annual consumption of wheat will be about 1.25 m. bushels, giving more than 3 m. gallons of power alcohol. Distilleries of equal capacity are to be opened in Victoria, South Australia and Western Australia, the four plants costing £1.5 m. Each plant will produce 6,000 tons of bran a year.

U.S.A. wheat production is estimated at 835 m. bushels in 1943-44 as compared with 981 m. bushels in 1942-43. Because of heavy consumption (estimated at 1,200 m. bushels, including 427 m. bushels for stock feed) stocks at 30th June are ~~estimated~~ ^{declined} from 618 m. bushels in 1943 to 250 m. bushels in 1944. This is regarded as the "minimum desirable limit" and the administration has asked for a substantial increase in acreage for harvest in 1944-45.

Argentina. The wheat crop is officially estimated at 290.7 m. bushels. This compares with 235 m. bushels last year. The Government recently ordered the sale of 18.4 m. bushels for animal fodder and of 73.5 m. bushels of old wheat for use as fuel.

PART 2 - FINANCE & TRADE, ETC.GENERAL.

War Damage Insurance. Cover against war damage is to extend into 1944 without payment of further contribution. Generally, fixed property and private chattels will be covered up to the value on which contributions were based in 1943; other property (plant, stock, livestock, crops, fruit trees, etc.) will be covered in full, even if of higher value than in 1943. Owners of newly built fixed property and of plant or stock which increases in value to £1000 and which was not insured in 1943, must contribute in 1944. Rates of contribution have been reduced; e.g. on fixed property from 4s. to 1s. per £100, on plant, stock and private chattels from 8s. to 2s.

Prices orders have been issued fixing maximum wholesale and retail prices for all types of men's socks and to control the prices of toys.

Taxation. Combined tax collections by State and Commonwealth Governments amounted to £124.5 m. in 1938/39, £181.7 m. in 1940/41, £236.7 m. in 1941/42 and £283.5 m. in 1942/43. The increase in the four years was £159 m., or 128%. Of this increase, £107 m. was obtained from taxes levied on incomes. In 1938/39 yields from income taxes represented 33.5% of all taxes; in 1942/43 the proportion rose to 52.5%.

Taxes collected by State Governments amounted to £50.5 m. in 1938/39 and, including reimbursements by the Commonwealth, to £53.3 m. in 1942/43. Commonwealth collections were £74 m. in 1938/39 and, after deducting amounts reimbursed to States, £230.2 m. in 1942/43.

PUBLIC FINANCE

Commonwealth. Revenue amounted to £104.4 m. in the five months ended November, 1943, as compared with £83.4 m. last year. These amounts are net after deducting Income Tax reimbursed to States, £5.4 m. and £2.3 m. in the respective periods. The increase in revenue, £21 m., consisted largely of Income Tax retained for Commonwealth purposes, which was higher by £17.3 m. Other increases were Excise £2.3 m. and Entertainment Tax and Post Office, each £1.3 m. Customs revenue declined by £1 m. and Sales Tax by £0.8 m.

Expenditure in November, 1943, was only a little higher than in November, 1942 (War by £0.2 m., Other by £0.6 m.) but for the five months ended November there was an increase of £27.2 m. (War £24.7 m., Other £2.5 m.). Of this increase £21.1 m. (including £18.6 m. on war) was from Revenue Account and £6.1 m. on war from Loan Account.

COMMONWEALTH EXPENDITURE (EXCL. INCOME TAX REIMBURSED TO STATES).

£ million.

Service	Estimates 1943-44	Month of November		Four months ended November.		
		1942	1943	1942	1943	Increase.
War (1939) from -						
Revenue	167.6	8.4	10.7	38.5	57.1	18.6
Loans	402.3	39.3	37.2	168.7	174.8	6.1
Total War.	569.9	47.7	47.9	207.2	231.9	24.7
Other Revenue Services.	117.9*	8.6	9.2	44.9	47.4	2.5
Total all Services.	687.8*	56.3	57.1	252.1	279.3	27.2

* Excludes £27.4 m., unappropriated balance of £29.7 transferred to National Welfare Fund.

Subscriptions from the 4th Liberty Loan were being received in November, 1943, and there was no further issue of Treasury Bills for Commonwealth purposes. The amount outstanding at 30th November was £341 m., the same as at 31st October. In the five months July/November, Treasury Bills outstanding increased by £82 m. in 1943 as compared with £93.5 m. in 1942.

State. The deficit for the five months ended November, 1943, was £2,635,000, or £820,000 greater than last year. The retrogression was almost wholly due to a lag in receipts under the uniform income tax scheme which, at £2,434,000, were down £772,000. Adjusted to allow for this factor, the retrogression was £48,000.

Excluding income tax, there was an improvement of £234,000 in the balance of the Consolidated Revenue Account in which other receipts increased by £175,000 and expenditure declined by £59,000. Improvement here was, however, more than offset by a decline of £102,000 in the working surpluses of the Business Undertakings (including Railways £56,000, Trams & 'Buses £44,000) and of £180,000 in the surplus of the Main Roads Account.

N.S.W. GOVERNMENT ACCOUNTS.

Five months ended November.

Accounts	1942	1943	Increase or Decrease (-)
	£000	£000	£000
Revenue - Consolidated Fund	9,265	8,668	(-) 597
of Business Undertakings	16,476	17,636	1,160
Main Roads	1,044	1,060	16
Total	26,785	27,364	579
Expenditure - Consolidated Fund	15,113	15,054	(-) 59
of Business Undertakings	12,671	13,933	1,262
Main Roads	816	1,012	196
Total	28,600	29,999	1,399
Excess of Expenditure	1,815	2,635	820

of Railways, Trams & 'Buses, Road Transport and Traffic Fund, And Sydney Harbour

Private Trading Banks.

Deposits increased by £6 m. and advances declined by £1.8 m. in October. Additions to Special Wartime Deposits, which may be withdrawn only with the approval of the Commonwealth Bank, amounted to £8 m.

In the year ended October deposits increased by £69 m. to £478 m. and there was almost corresponding increase in cash assets. There rose by £64 m., an increase in Special Wartime Deposits, £74 m., being partly offset by a decrease in cash and Treasury Bills, £10 m. The banks' investments in Government Securities increased by £18 m. but this was nearly counterbalanced by a decrease of £15 m. in Advances.

NINE TRADING BANKS - AUSTRALIA.

Liabilities and Assets within Australia.

£ million.

Av. of Weekly Figures.	Deposits.			Coin Notes etc. & Cash at C'wealth Bank.	Treas-ury Bills.	Govt. & Municipal Securit-ies.	Special Wartime Deposits with C'wealth Bank.	Advances, Discounts, etc.
	Bearing Interest (Fixed)	Not Bearing Interest (Current)	Total					
1939-June	200.9	117.1	318.0	28.6	23.9	22.1	-	291.7
1940 "	210.3	135.1	345.4	31.1	38.3	43.7	-	289.9
1941 "	204.9	155.1	360.0	33.3	36.1	61.9	-	283.7
1942 "	192.0	195.9	387.9	40.4	39.6	56.3	36.4	268.3
1943 "	197.4	256.1	453.5	33.4	50.8	75.7	102.9	246.0
1942-Aug.	190.7	200.2	390.9	50.1	37.1	56.3	37.9	264.0
Sept.	190.5	208.6	399.1	51.5	45.6	57.3	40.6	258.5
Oct.	191.3	217.5	408.8	55.8	50.6	59.9	44.7	255.2
1943-July	203.2	248.1	451.3	35.2	47.4	75.6	103.3	249.6
Aug.	205.1	259.7	464.8	40.0	57.2	76.0	104.7	243.4
Sept.	205.9	265.7	471.6	39.0	58.8	77.6	111.1	241.6
Oct.	207.2	270.4	477.6	37.0	59.7	78.1	119.1	239.8

NOTE ISSUE.

Note holdings of the public declined slightly in November. Recently they had been expanding at the rate of about £4 m. monthly.

NOTES HELD BY PUBLIC: AUSTRALIA.

Annual Movement		Monthly Movement, 1943.	
	£m.		£m.
Nov. 1939	37.4	April	123.5
" 1941	60.9	May	120.9
" 1942	101.3	June	123.9
" 1943	138.2	July	126.7
		August	130.2
		September	134.7
		October	139.5
		November	138.2

REAL ESTATE.

Sales have been comparatively steady in recent months. The amount, £1.5 m., in October, 1943, was about the same as in the previous month and in October, 1942. There was a decline of £4.1 m. in the four months Jan./April but in the next six months (May/Oct.) the total, £8.8 m., was the same as last year.

Mortgages, £618,000, in October, were the highest since £622,000 in July, 1942. The total for the ten months is 32% lower than last year.

REAL ESTATE TRANSACTIONS: N.S.W.

Thousand £

Period	S a l e s .				Mortgages (incl. renewals).			
	1939	1941	1942	1943	1939	1941	1942	1943
Jan - April.	10,755	10,191	9,646	5,587	7,682	5,102	3,778	2,024
May	3,090	2,835	1,154	1,185	2,112	1,324	526	381
June	2,613	3,029	1,266	1,358	1,658	1,273	599	400
July	2,919	3,165	1,540	1,783	1,950	1,470	622	399
August	3,068	2,545	1,671	1,379	2,770	1,213	451	450
September	2,934	2,941	1,616	1,551	1,501	1,571	516	432
October	2,330	3,013	1,514	1,549	1,713	1,413	423	618
Jan-Oct.	27,709	27,719	18,407	14,392	19,386	13,366	6,915	4,704
Year	32,157	33,239	21,609	...	22,444	15,630	8,007	...